

**REMARKS**

In the Office Action dated April 17, 2006, pending Claims 1-20 were rejected and the rejection made final. Claims 1 and 20 are independent claims; the remaining claims are dependent claims. In response Applicants have filed herewith a Request for Continued Examination and have rewritten independent Claims 1 and 20. Applicants intend no change in the scope of the claims by the changes made by this amendment. It should be noted these amendments are not in acquiescence of the Office's position on allowability of the claims, but merely to expedite prosecution.

Applicants and the undersigned are most grateful for the time and effort accorded the instant application by the Examiner. On October 17, 2006, Applicant's counsel and one of the inventors, Kannan Srinivasan, conducted a telephone interview with the Examiner in which the present application and the Robinson reference were discussed. No agreement, however, was reached with respect to the claims of the present application.

Claims 1-20 stand rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 5,918,014 to Robinson. Reconsideration and withdrawal of these rejections is respectfully requested.

The present invention broadly contemplates enabling Internet businesses to conduct real-time, online experiments in a continuous or discrete fashion on a sample of transactions and determine marketplace sensitivities. (Page 7, lines 3-5) Real-time analysis of the results of the experiments reveal optimal values of key market decision

variables, such as price, content of banner ads, promotion levels, quantity discount schemes, etc. (Page 6, lines 5-7) The dynamic experimentation used by the inventive system reveals the relative stability (or instability) of the networked market within which the business operates. The translation of an optimal value for a key variable (for example, price) to the entire market can be done on a real-time basis. (Page 6, lines 18-21) In essence, the present invention can immediately analyze real-time shifts in public opinion or individual interest to present appropriate promotional responses on a user-by-user, community-based, wide-ranging, or across-the-board level.

Specifically, a novel method of the instant invention that dynamically determines an optimal advertisement to be used by an Internet merchant involves the following step. Configuration data that assists in communication with the Internet merchant is received from the Internet merchant. Multiple, sometimes simultaneous and continuous, experiments are run according to the configuration data. These experiments are run on randomly chosen visitors to the Internet website. An optimal advertisement is then dynamically determined wherein such a determination involves real-time learning from the analyses of the experiments. The optimal advertisement is then utilized.

As best understood, Robinson appears to be directed to displaying advertising to users of the World Wide Web based upon what "community" they are in. See Col. 2, lines 23-26 ("If the members of a particular consumer's community tend to click on a particular Web ad, then there is a certain likelihood that the subject consumer will also tend to click on that ad.") Robinson utilizes a training period for promotions to certain groups or communities of users to determine the effectiveness of an ad for a group or an

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individual that has been marked as a certain "community". Robinson does NOT teach or suggest real-time analysis of key variables to present immediate and appropriate promotional responses.

Specifically, Robinson does not teach or suggest running multiple experiments according to the configuration data on an on-going basis on randomly chosen visitors to the Internet website. Rather, Robinson polls visitors to a website that belongs to a certain community about an advertisement to determine if other members of that community would be interested in that advertisement. As can be seen, it is not a necessity of the instant invention to profile visitors, and the utilization of that profiling is not a necessary component in the determination of an advertisement. Robinson further does not teach the dynamic determination of an optimal advertisement wherein the determination of the optimal advertisement involves real time learning from the analyses of the experiments. There is no real-time learning in Robinson. In fact, the teachings of Robinson specifically teach away from a real-time method, because historical data based on member profiles is utilized to determine advertisements. To detail differences between the instant invention and Robinson even further, the configuration data of the instant invention is not taught or suggested by Robinson, who only teaches utilizing profiles of the visitors to the websites in determining advertisements to be offered. These profiles are in stark contrast to the configuration data of the instant invention, in which the configuration data assists in communication with the Internet merchant.

The instantly claimed invention requires specifically "(a) receiving configuration data from the Internet merchant, wherein such configuration data assists in

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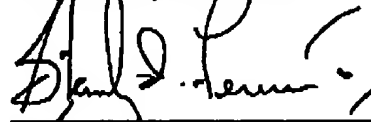
communication with the Internet merchant; (b) running multiple experiments according to the configuration data on an on-going basis on randomly chosen visitors to the Internet website; (c) dynamically determining an optimal advertisement wherein the determination of the optimal advertisement involves real time learning from the analyses of the experiments of step (b); and (d) thereafter using the optimal advertisement determined in step (c)". Similar language can be found in all of the independent claims of the instant application.

As can be seen by the arguments shown above, there are numerous distinctions between the claimed invention and the teachings of Robinson. Accordingly, Applicants respectfully submit that Robinson fails to anticipate the present invention because, at the very least, "[a]nticipation requires the disclosure in a single prior art reference of each element of the claim under construction." W.L. Fore & Associates, Inc. v. Garlock, 721 F.2d 1540, 1554 (Fed. Cir. 1983); see also In re Marshall, 198 U.S.P.Q. 344, 346 (C.C.P.A. 1978).

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By virtue of dependence from what is believed to be allowable independent Claim 1, it is respectfully submitted that Claims 2-19 are also presently allowable. Thus, it is respectfully submitted that the instant application, including Claims 1-20, is presently in condition for allowance. Notice to the effect is hereby earnestly solicited. If there are any further issues in this application, the Examiner is invited to contact the undersigned at the telephone number listed below.

Respectfully submitted,



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